

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0419-07
Bill No.: SCS for SB 56
Subject: Education, Higher
Type: Original
Date: February 18, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

In response to a similar proposal, officials from the **Department of Higher Education (DHE)** assume this legislation would have no direct fiscal impact on their organization. However, they note that the total cost to the state is unknown based on the inability of DHE to identify the number of courses and the cost of each course which might receive state funding as a result of this legislation.

Officials from **Truman State University, Central Missouri State University, and the University of Missouri** assume this proposal would have no impact on their organization.

In response to a similar proposal, officials from **Southwest Missouri State University** assume this proposal would not result in any additional costs to their organization. Further, they assume that some potential savings could occur depending on the terms of the cooperative financial agreements that might be worked out.

ASSUMPTION (continued)

In response to a similar proposal, officials from **Lincoln University** assume this proposal could result in additional revenues of \$486,000 per program and additional expenditures of \$372,000 per program for onsite delivered programs.

Oversight assumes this proposal would have unknown fiscal impact on the state's four-year colleges and Universities. Although the proposal states that costs incurred with respect to the provisions of the proposal would be paid from state funds allocated to the institution assigned the administrative authority for the program, the organizations affected by the proposal are state-owned institutions. Oversight assumes the proposal could be implemented by the affected organizations from student fees or other institutional resources, and without the need for additional state appropriations. Accordingly, Oversight has shown no fiscal impact for any specific state fund.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

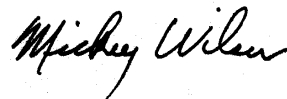
DESCRIPTION

This proposal would allow the Department of Higher Education to promote and encourage the development of cooperative agreements between Missouri public four-year institutions of higher education, for the purpose of offering graduate degree programs on campuses which do not otherwise offer graduate degree programs. The proposal includes certain requirements for the agreements, and specifies that the costs incurred with respect to the proposal would be paid from state funds allocated to the institution assigned the administrative authority for the program.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Coordinating Board for Higher Education
Truman State University
Central Missouri State University
University of Missouri



Mickey Wilson, CPA
Director
February 18, 2003